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Administrative Review
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September 1, 2016

MEMORANDUM TO: Paul Piquado
Assistant Secretary
for Enforcement and Compliance

FROM: Christian Marsh 
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of the
Antidumping Duty Administrative Review of Stainless Steel Bar
from India

I. SUMMARY

We have analyzed the case and rebuttal briefs of interested parties in the administrative review of the antidumping duty (AD) order on stainless steel bar (SSB or subject merchandise) from India. We recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. Below is the complete list of the issues in this administrative review for which we received comments and rebuttal comments from parties.

Comment 1: Whether to Name Respondents' Customers in Final Liquidation Instructions

Comment 2: Whether Bhansali is an Uncooperative Respondent

Comment 3: Whether the Department Should Accept Bhansali's Sales and Cost Data

Comment 4: Whether the Department Properly Handled the Billing Adjustment in the Preliminary Results

II. BACKGROUND

On March 10, 2016, the Department of Commerce (Department) published the preliminary results of the administrative review of the antidumping duty order on SSB from India.¹ Following the *Preliminary Results*, the Department issued an additional supplemental questionnaire to Bhansali Bright Bars Pvt. Ltd., (Bhansali), on March 25, 2016, and received a

¹ See *Stainless Steel Bar From India: Preliminary Results, and Rescission, in Part, of Antidumping Duty Administrative Review; 2014–2015*, 81 FR 12694 (March 10, 2016) (*Preliminary Results*).



response on April 8, 2016.² We extended the briefing schedule.³ We received timely case briefs from Ambica Steels Limited (Ambica) and Bhansali (the mandatory respondents), and from North American Stainless and Valbruna Slater Stainless, Inc. (the petitioners).⁴ We received timely filed rebuttal briefs from Bhansali and the petitioners.⁵

On June 29, 2016, the Department issued a memorandum extending the deadline for issuing the final results of this administrative review by 55 days from July 8, 2016, to September 1, 2016, as permitted by section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.213(h)(2).⁶

III. CHANGES SINCE THE PRELIMINARY RESULTS

As a result of our analysis, we have made certain changes for Bhansali since the *Preliminary Results*. Specifically, we have made adjustments to Bhansali's interest expense ratio for the interest-free affiliated party loans, to direct material costs from affiliated suppliers, and to Bhansali's cost reconciliation, which includes an adjustment for tolling services.⁷

IV. SCOPE OF ORDER

The merchandise subject to the order is stainless steel bar. Stainless steel bar means articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons, or other convex polygons. Stainless steel bar includes cold-finished stainless steel bars that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

² See Letter from the Department to Bhansali, "Antidumping Duty Administrative Review of Stainless Steel Bar from India: Second Section D Supplemental Questionnaire," dated March 25, 2016; see also Letter from Bhansali, "Bhansali Bright Bars Private Limited 2nd Supplemental Response to Section D of Antidumping Duty Questionnaire," dated April 8, 2016.

³ See Memorandum from Lana Nigro, International Trade Analyst, to the File, "Extension of the Deadline to Submit Case and Rebuttal Briefs," dated April 14, 2016; see also Memorandum from Jennifer Shore, International Trade Analyst, to the File, "Extension of the Deadline to Submit Case and Rebuttal Briefs," dated April 21, 2016.

⁴ See Letter from the petitioners to the Department, "Petitioners' Case Brief," (Petitioner's CB), April 14, 2016; see also, Letter from Bhansali to the Department, "Certain Stainless Steel Bar Product from India: Bhansali's Case Brief," (Bhansali's CB), April 14, 2016; see also, Letter from Ambica to the Department, "Stainless Steel Bar from India: Ambica Steels Ltd. Case Brief," (Ambica's CB), April 14, 2016.

⁵ See Letter from the petitioners to the Department, "Petitioners' Rebuttal Brief," (Petitioners' RB), April 25, 2016; see also, Letter from Bhansali to the Department, "Stainless Steel Bar from India: Bhansali Bright Bars Private Limited's (Bhansali) Rebuttal Brief dated May 11, 2015," (Bhansali's RB), April 28, 2016.

⁶ See Memorandum to Gary Taverman, Associate Deputy Assistant Secretary, from Joseph Shuler, International Trade Analyst, "Stainless Steel Bar from India: Extension of Time Limit for Final Results of Antidumping Administrative Review," dated June 29, 2016.

⁷ See Memorandum from Joseph Shuler, International Trade Analyst, through Dana Mermelstein, Program Manager, to the File, "Final Results Calculation Memorandum for Bhansali," (Bhansali's Final Calculation Memorandum) dated concurrently with this memorandum.

Except as specified above, the term does not include stainless steel semi-finished products, cut-to-length flat-rolled products (*i.e.*, cut-to-length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes, and sections.

Imports of these products are currently classifiable under subheadings 7222.10.00, 7222.11.00, 7222.19.00, 7222.20.00, 7222.30.00 of the Harmonized Tariff Schedule (HTS). Although the HTS subheadings are provided for convenience and customs purposes, our written description of the scope of the *Order* is dispositive.

V. DISCUSSION OF THE ISSUES

Comment 1: Whether to Name Respondents' Customers in Final Liquidation Instructions

Ambica's and Bhansali's Argument

Ambica argues that the Department should include in its liquidation instructions to U.S. Customs and Border Protection (CBP) following the final results the names of the customers to which Ambica has exported subject merchandise.⁸ According to Ambica, the Department's draft liquidation instructions, released following the *Preliminary Results*, did not include the names of the customers to whom Ambica made sales of subject merchandise during the POR and for which Ambica is the importer of record. Ambica argues that, regardless of the assessment rate, the listing of its customers would provide clarity and avoid confusion and should be included in the liquidation instructions.⁹

Bhansali also urges the Department to include in the liquidation instructions the name of its customer.¹⁰ Bhansali makes a similar argument as Ambica that, although it is the importer of record, it would avoid confusion if the Department identified Bhansali's customer in the liquidation instructions.¹¹

The Petitioners' Rebuttal Comment

The petitioners argue that, in a prior administrative review, the Department already responded to the respondents' requests for inclusion of their customers' names in the Department's liquidation instructions. The Department has responded to prior requests by not identifying the respondent's customers when the respondent is listed as the importer of record.¹² In fact, the Department is required to calculate an assessment rate for each importer.

⁸ See Ambica's CB at 1-2.

⁹ *Id.* for a complete listing of these customer names.

¹⁰ See Bhansali's CB at 2-3.

¹¹ *Id.* at 6.

¹² See the petitioners' RB at 2, citing *Stainless Steel Bar From India: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 79 FR 43712 (July 28, 2014) and accompanying Issues and Decision Memorandum at Comment 2.

Department's Position

The Department does not list respondents' customer names in CBP liquidation instructions unless those customers are the importers of record. In cases where the respondent is reported as the importer of record, as is the case here, only the respondent's name is listed. In accordance with 19 CFR 351.212(b), the Department's normal practice is to calculate assessment rates for each *importer*.¹³ In cases where the importer of record is not known, the Department calculates customer-specific liquidation rates.¹⁴ Because both Ambica and Bhansali are the importers of record,¹⁵ and the liquidation instructions are issued with importer-specific rates, there is no need to identify the names of their customers in order to provide CBP provided with appropriate liquidation guidance.

Comment 2: Whether Bhansali is an Uncooperative Respondent

Petitioners' Arguments

The petitioners argue that Bhansali is an uncooperative respondent in this administrative review and the Department should apply total adverse facts available (AFA) to determine the dumping margin for Bhansali.¹⁶ According to the petitioners, Bhansali repeatedly failed to provide properly accounted home market sales reconciliations, despite repeated requests from the Department to do so. When Bhansali did provide a table attempting to demonstrate how the home market quantity and sales value reconciled to the home market dataset, the petitioners claim that it failed to provide the supporting background documentation; instead Bhansali claimed that the reconciliation was culled from the company ledger.

The petitioners state that a proper sales reconciliation starts with the company's POR financial statements,¹⁷ but Bhansali did not base its sales reconciliation on either its financial statements or on its actual general ledger. The petitioners cite to several alleged deficiencies in Bhansali's reported reconciliation and Bhansali's 2014 and 2015 financial statements, chiefly, that the reported gross sales values between Bhansali's reconciliation and the financial statements do not begin with the same value.¹⁸

The petitioners contend that Bhansali submitted certain home market sales invoices to affiliates in response to the Department's requests for sample invoices that were either not included in the home market dataset or did not reflect the same per-unit value for its home market sales as

¹³ See 19 C.F.R. 351.212(b) ("If the Secretary has conducted a review of an antidumping order under §351.213 (administrative review), §351.214 (new shipper review), or §351.215 (expedited antidumping review), the Secretary normally will calculate an assessment rate for each *importer* of subject merchandise covered by the review.") (emphasis added).

¹⁴ See, e.g., *Citric Acid and Certain Citrate Salts From Canada: Final Results of Antidumping Duty Administrative Review*, 77 FR 24461 (April 24, 2012).

¹⁵ See Bhansali's June 10, 2015, Section A Questionnaire Response at A-16; see also Ambica's June 9, 2015, Section A Questionnaire Response at "Distribution Process."

¹⁶ See the petitioners' CB at 2-3.

¹⁷ The petitioners state that another suitable option is to start the reconciliation from the fiscal year cost allocation; see the petitioners' CB at 3.

¹⁸ *Id.*

recorded in the dataset; therefore, Bhansali's home market sales reconciliation is unreliable, and demonstrates that Bhansali failed to properly reconcile its home market sales database.¹⁹ The petitioners present a number of specific instances where Bhansali's home market reporting is, at best, inconsistent, and raises the question of whether the Department can rely on Bhansali's reconciliation as accurate or complete.²⁰

The petitioners submit that Bhansali's affiliates' sales reconciliations do not reconcile to the sales reported in the home market dataset. Further, the reconciliations that were provided failed to tie the quantity and value reflected in the dataset to the portion of the POR in fiscal year 2015.²¹

The petitioners argue that Bhansali withheld a number of cost reconciliations that were requested by the Department, including the required cost reconciliation for affiliated companies.²² The petitioners argue that Bhansali has prevented the Department from determining whether the reported costs were fully and accurately reported. The petitioners also contend that Bhansali's inventory movement demonstrates alleged deficiencies (between the reported production quantity and Bhansali's accounting records).²³ Finally, according to the petitioners, the Department cannot reconcile Bhansali's direct material costs because Bhansali failed to submit monthly inventory values, as requested.²⁴

The petitioners cite to a lack of full disclosure regarding Bhansali's operations in its 2014 auditor's report, and that this lack of disclosure violates basic elements of Indian Accounting Standards.²⁵

Bhansali's 2015 financial statements are also deficient, according to the petitioners, because they fail to disclose fully the shutdown of Bhansali's only production facility, and the reduction of staff and production.²⁶ The petitioners highlight that Bhansali's 2015 balance sheet indicates that the company was in a difficult financial period. Accordingly, Bhansali's financial statements appear to be inconsistent with Indian generally accepted accounting principles and the Department cannot rely on them.²⁷

The petitioners argue that section 776(a) of the Act requires the application of facts available if certain conditions are met, primarily that necessary information is not on the record. According to the petitioners, the record demonstrates that the criteria on which to apply AFA, or partial facts available, are present in this review.²⁸ Moreover, the Department is required to notify the

¹⁹ *Id.* at 4.

²⁰ *Id.* at 4-6.

²¹ *See* the petitioners' CB at 8.

²² *Id.*

²³ *Id.* at 9.

²⁴ *Id.*

²⁵ *Id.* at 11-13. In their case brief, the petitioners rely on business proprietary information to characterize Bhansali's 2014 auditor's report as insufficient and unreliable in accounting for the 2014 business circumstances and financial position of the company.

²⁶ *Id.* at 13.

²⁷ *Id.* at 14.

²⁸ *Id.* at 15-16, citing sections 782(d) and (e) and section 776(b); among the other criteria cited by the petitioners in calling for the application of AFA: an interested party, or any other person, withheld requested information; failed

respondent of deficiencies and provide an opportunity for remedy, to the extent practicable, and the Department did that here. The Department can otherwise use deficient information when it is timely submitted, verifiable, not so incomplete that it cannot be used without undue difficulties, and provided by a party that has acted to the best of its ability to provide the information.²⁹

The petitioners argue that the withholding of information is grounds for the use of facts available and AFA.³⁰ According to the petitioners, it is incumbent on the respondent to prepare a complete and accurate record.³¹ Respondents are presumed to be familiar with their own records and it is not the Department's responsibility to reconstruct the record.³²

The petitioners rely on *Nippon*, in which the court determined that it was appropriate for the Department to resort to other sources of information if the respondent failed to provide information, for any reason, because it requires the respondent act to the best of its ability to do the maximum that it is able to do.³³ Sections 782(d) and (e) of the Act provide for the use of total facts available when a party's response to a request for information is deficient; a party that withholds information cannot also be a party that has demonstrated a maximum effort to cooperate with the Department.³⁴

Because, according to the petitioners, Bhansali withheld accurate and complete home market sales and cost reconciliations from the Department, the necessary information is not available in the administrative record for the Department to calculate a dumping margin and the Department should apply total facts available.³⁵ The petitioners further argue that Bhansali has significantly impeded this proceeding by withholding necessary information.

The petitioners contend that the Department need only determine that Bhansali did not execute a maximum effort to obtain information requested of it for the application of AFA; here, Bhansali's withholding of requested sales and cost reconciliations represents the failure of the respondent to have cooperated fully to the best of its ability.³⁶ The petitioners continue that the Department's normal process for rejecting the use of information on the record is not necessary here, because Bhansali has provided information that is so incomplete (*i.e.*, there are no reliable sales reconciliations) that it cannot be used by the Department to calculate a dumping margin.³⁷

to adhere to deadlines; failed to submit information in the form and manner requested; significantly impeded a proceeding; and provided unverifiable information.

²⁹ See the petitioners' CB at 15, citing *Borden v. United States*, 4 F. Supp. 2d 1221, 1245-46 (CIT 1998) (*Borden*); *Shandong Huarong Gen. Group Corp. v. United States*, 27 CIT 1568, 1581-82 (CIT 2003) (*Shandong Huarong*); and 19 CFR 351.308(a), the basis for which facts available, or adverse facts available (19 CFR 351.308(c)), may be used in a proceeding.

³⁰ See the petitioners' CB at 16, citing *Shanghai Taoen Int'l Trading Co. v. United States*, 360 F.2d 1373, 1339, 1343 n.6, 1344-45 n.13 (CIT 2005) (*Shanghai Taoen*).

³¹ *Id.* at 16, citing to *China Steel Corp. v. United States*, 306 F. Supp. 2d 1291, 1306 (CIT 2004).

³² *Id.* at 16, citing to *Nippon* and to *Shandong Huarong*.

³³ *Id.* at 16-17, citing *Nippon Steel Corp. v. United States*, 337 F.3d 1373, 1382 (Fed. Cir. 2003) (*Nippon*).

³⁴ See the petitioners' CB at 17.

³⁵ *Id.*

³⁶ *Id.* at 18 and citing to *Nippon*, 337 F.3d at 1383.

³⁷ The petitioners reference the following reasons that prevent the rejection of information: 1, the information is timely submitted; 2, the information can be verified; 3, the information is not so incomplete as to be unreliable; 4,

Further, the petitioners cite to *Heavy Forged Hand Tools from the PRC*, in which the Department applied total AFA to a respondent that failed to reconcile to its accounting records the quantity and value of U.S. sales that it reported.³⁸ According to the petitioners, failing to apply AFA to Bhansali sends the message that there is no consequence for a respondent failing to provide complete and accurate responses to requests for information and is necessary to mitigate future attempts to withhold information.³⁹ The Department should assign to Bhansali, as AFA, the higher of the petition rate or the highest calculated margin for any respondent.⁴⁰

In the event that the Department bases the final results on Bhansali's reported information, the petitioners contend that the Department should apply partial facts available by using the single highest gross unit price, and the single highest reported cost, for all home market sales, adjusted for the specific issues addressed, *infra*, by the petitioners.⁴¹

Bhansali's Rebuttal Comments

Bhansali contends that it provided documentation that supports its sales reconciliation. Bhansali argues that its sales reconciliation corresponds to two distinct periods of the POR and that it has sufficiently documented the sales that it reported in its home market dataset.⁴² Regarding the petitioners' allegation that Bhansali submitted invoices that were not included in its home market dataset, Bhansali argues that the particular sale from Bhansali to an affiliate referenced by the petitioners is included in the home market dataset.⁴³ Bhansali also counters the petitioners' claims that it has not properly reported and reconciled sales for its affiliated home market resellers.⁴⁴

Bhansali argues that it provided a complete cost reconciliation to the Department, and acknowledges only a minor difference of less than 1 percent in its cost reporting, which it states should not discount the entire cost reconciliation that it provided.⁴⁵ Bhansali reported that, although it does not normally value raw materials on a monthly basis, it was able to report the closing inventory value of raw materials from its financial statements.⁴⁶

Bhansali argues that the Department should accept its financial statements, and further asserts that the financial statements were signed before the shutdown of the production facility; therefore, the auditor would not have had advance knowledge of the company's decision with regard to the shutdown of the production facility, an event that occurred after the 2014 financial

the interested party has acted to the best of its ability; and 5, the information can be used without undue difficulty. See the petitioners' CB at 18.

³⁸ See the petitioners' CB at 19, citing *Notice of Final Results and Partial Rescission of Antidumping Duty Administrative Reviews: Heavy Forged Hand Tools From the People's Republic of China*, 65 FR 43290 (July 13, 2000) (*Heavy Forged Hand Tools from PRC*) and accompanying Issues and Decision Memorandum at Comment 2.

³⁹ *Id.* at 19-20.

⁴⁰ *Id.* at 20.

⁴¹ *Id.* at 20.

⁴² See Letter to the Department from the Bhansali, "Stainless Steel Bar from India: Bhansali Bright Bars Pvt. Ltd., Rebuttal Brief," (April 18, 2016), (Bhansali's RB) at 2.

⁴³ See Bhansali's RB at 4 for the invoice numbers Bhansali claims are linked.

⁴⁴ *Id.* at 5.

⁴⁵ *Id.* at 7.

⁴⁶ *Id.*

statement was released, when the financial statements were signed.⁴⁷ Bhansali highlights for the Department that its 2015 financial statements addressed the stainless steel industry, and Bhansali's financial situation, in frank terms. Bhansali further highlights that its total realizable assets exceed its total liabilities. Finally, Bhansali remarks that its production facility is still in running condition.⁴⁸

Bhansali argues that the Department should not rely on facts available in the final results because it did not withhold accurate costs and sales reconciliations;⁴⁹ rather, it has provided timely, complete, and accurate data, in the form requested, and that all the information on the record is verifiable.⁵⁰

Further, adverse inferences are not warranted because Bhansali has not withheld requested information, has acted to the best of its ability in responding to requests for information, and has not acted in a way to misrepresent the data on the record. Bhansali has corrected certain information that it reported in subsequent questionnaire responses. Bhansali contends that the circumstances to apply total adverse facts available do not exist here because Bhansali has submitted information by the deadlines established by the Department, and the information submitted is verifiable.⁵¹ Bhansali notes that it has worked diligently to respond to the Department's requests for information while doing so with fewer resources than it had prior to this administrative review.⁵²

Department's Position

For the reasons detailed below, we do not find that Bhansali's reporting in this administrative review warrants the application of AFA or facts available. We have made adjustments, when warranted, to reconcile certain elements of Bhansali's information, but these adjustments draw upon information reported by Bhansali on the record of this administrative review.

Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department will so inform the party submitting the response and will, to the extent practicable, provide that party an opportunity to remedy or explain the deficiency. If the party fails to remedy or satisfactorily explain the deficiency within the applicable time limits, subject to section 782(e) of the Act, the Department may disregard all or part of the original and subsequent responses, as appropriate.

Sections 776(a)(1) and 776(a)(2)(A)-(D) of the Act provide that if necessary information is not available on the record or if an interested party: (A) withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested subject to section 782(c)(1) and (e) of the Act; (C) significantly impedes a proceeding under the antidumping statute; or (D) provides such information but the information cannot be verified as provided for in section 782(i) of the Act, the Department shall,

⁴⁷ See Bhansali's RB at 8-9.

⁴⁸ *Id.*

⁴⁹ *Id.* at 11.

⁵⁰ *Id.*

⁵¹ *Id.* at 12.

⁵² *Id.*

subject to section 782(d) of the Act, use facts otherwise available in reaching the applicable determination.

The petitioners cite to *Mukand* and *Nippon*, as well as related cases, in urging the Department to reject Bhansali's reporting and to apply total facts available on the basis of Bhansali's alleged withholding of information and Bhansali's failure to act to the best of its ability in this administrative review.⁵³ However, the facts in cases such as *Mukand* and *Nippon* are not similar to this proceeding. For example, in *Mukand*, the Department requested size-specific production cost data from the respondent multiple times in separate questionnaires, and provided the respondent with multiple opportunities to provide alternative cost data, or to contact the Department in the event that it was unable to provide the information requested.⁵⁴ Similarly, in *Nippon*, the Department determined that the respondent's failure to provide timely conversion factors warranted the application of an adverse inference.⁵⁵ In those cases, the respondent did not provide information specifically requested by the Department, which the Department determined was necessary for the proceeding.

We also disagree that the circumstances are similar to those of *Heavy Forged Hand Tools from the PRC* or *Prestressed Concrete Steel Wire Strand from Mexico*.⁵⁶ In *Heavy Forged Hand Tools*, the respondent was unable to confirm, at verification, the accuracy of its questionnaire responses, because it was unable to reconcile the quantity and value of the U.S. sales reported to the Department with the quantity and value recorded in its accounting records. Moreover, we also found that the respondent failed to satisfy the Department of its reporting accuracy, despite repeated requests to do so. There also, the respondent failed to prepare documents requested in advance of the verification, had provided false information regarding U.S. sales data, and failed to provide supporting documentation requested by the verifiers. The respondent also did not report, until verification, that it had used two different methodologies to report its U.S. date of sale, further complicating the Department's attempt to reconcile quantity and value. The respondent's data were so unreliable that the Department could not use them to calculate an accurate dumping margin.⁵⁷ Similarly, in *Prestressed Concrete Steel Wire Strand from Mexico*, the respondents failed cost verification and were unable to provide an adequate cost reconciliation, despite ample opportunities to do so in response to various supplemental questionnaires.⁵⁸

Here, Bhansali provided the sales and cost reconciliations that were requested of it; therefore, we cannot conclude that Bhansali withheld requested information. After we identified possible errors in Bhansali's questionnaires responses, we provided Bhansali with an opportunity to

⁵³ *Nippon*, 337 F. 3d 1373; see also *Mukand*, 767 F. 3d 1300. Petitioners also cite to *Shandong Huarong*, 27 CIT at 1581-82, 2003 (CIT 2003); *Jiangsu Changao Steel Tube Co. v. United States*, 884 F. Supp. 2d 1295, 1305 (CIT 2012).

⁵⁴ *Mukand*, 767 F. 3d at 1300.

⁵⁵ *Nippon*, 337 F. 3d at 1373.

⁵⁶ See *Heavy Forged Hand Tools from PRC* and accompanying Issues and Decision Memorandum at Comment 1; see also, *Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Prestressed Concrete Steel Wire Strand from Mexico*, 68 FR 68350 (Dec. 8, 2003) and accompanying Issues and Decision Memorandum at Comments 1, 6.

⁵⁷ See *Heavy Forged Hand Tools from PRC*.

⁵⁸ See *Prestressed Concrete Steel Wire Strand from Mexico* IDM at Comments 1, 6.

remedy those possible errors by issuing supplemental questionnaires requesting it to do so, and Bhansali responded to our requests for additional information in a timely manner.⁵⁹ Bhansali provided its financial statements (and those of its affiliates) permitting the Department to conduct an analysis of Bhansali's cost data and determine whether an adjustment to Bhansali's financial ratios was warranted.⁶⁰ Bhansali also provided information on its home market sales, as discussed below in Comment 3.

We do not agree with the petitioners' contention that Bhansali could not reconcile its home market sales information; because Bhansali's fiscal year is April 1 through March 31 and the POR of this administrative review is February 1, 2014, through January 31, 2015, the starting figures for the reconciliation are necessarily different. Notwithstanding this fact, Bhansali provided a reconciliation of its home market sales value for the POR, and Bhansali satisfactorily explained the methodology it used to reconcile its home market sales.⁶¹ Regarding Bhansali's reconciliation to its 2015 financial statements, again, the different reporting periods between the POR and Bhansali's fiscal year may give the impression that Bhansali could not reconcile its home market sales; however, Bhansali demonstrated how it was able to perform its sales reconciliation for the portion of the POR covered by the 2015 financial statements and provided documentation of its reconciliation process.⁶² While Bhansali acknowledged that it did not value its raw material purchases on a monthly basis, it did provide, with its cost reconciliation, the total quantity and value of raw materials consumed in the production of subject merchandise during the POR.⁶³ As such, we do not agree with the petitioners that Bhansali's raw material inventory movement demonstrates deficiencies between the reported production quantity and the accounting records. Thus, we determine that Bhansali did not impede this proceeding in any way that has prevented the Department from analyzing its data.

We do not agree with the petitioners' contention that Bhansali purposefully withheld information that was specifically requested of it, nor do we agree that Bhansali failed to provide a home market sales reconciliation or that Bhansali's data is so unreliable that it cannot be used in this administrative review. We do not agree with the petitioner's assertion that Bhansali's reported costs are irreconcilable and therefore un-usable for the final results. We requested additional information from Bhansali regarding its home market sales reconciliation and Bhansali responded to our request with a revised sales reconciliation that was demonstrated to be based on Bhansali's 2014 and 2015 audited financial statements, and an explanation of the methodology

⁵⁹ See Letter from the Department, "Antidumping Duty Administrative Review: Request for Information," April 29, 2015, (Initial Questionnaire); see also Letter from Bhansali to the Department, "Bhansali Bright Bars Private Limited "Bhansali" Response to Section A of Antidumping Duty Questionnaire," June 10, 2015; Section B-C Response, June 26, 2015, and Section D Response, July 4, 2015; see also Letter from the Department to Bhansali "Antidumping Duty Administrative Review Stainless Steel Bar from India: First Sections A-D Supplemental Questionnaire," (December 24, 2015), and see Letter from Bhansali to the Department, "Certain Stainless Steel Bar products from India: Bhansali Bright Bars Private Limited 1st Supplemental Response to Section A, B, C, & D of Antidumping Duty Questionnaire," (January 25, 2016)(A-D SQR); see also Letter from the Department to Bhansali "Second Section D Supplemental Questionnaire," (March 25, 2016)(2DSQ), and see Letter from Bhansali to the Department, "Certain Stainless Steel Bar products from India: Bhansali Bright Bars Private Limited 2nd Supplemental Response to Section D of Antidumping Duty Questionnaire," (April 8, 2016)(2DSQR).

⁶⁰ See A-D SQR at Exhibits S-3(a)-(h); see also Bhansali's Final Calculation Memorandum at 3-4.

⁶¹ See Bhansali's A-D SQR at S1-5 and Revised Exhibit B-3(a).

⁶² *Id.*

⁶³ See Bhansali's June 25, 2016, Section D Questionnaire Response at 5 and Exhibit S-28.

Bhansali used to perform the reconciliation.⁶⁴ We examined this revised sales reconciliation and we determined that Bhansali had properly reconciled its home market sales value with the submitted home market dataset.⁶⁵

In addition, Bhansali was required to report sales to the final customer. Bhansali did report sales by its affiliates to the unaffiliated customer, and properly included in its home market data set only the invoices generated by its affiliate.⁶⁶ Thus, we find unavailing the petitioners' argument that the home market dataset improperly excludes certain invoices. In addition, contrary to the petitioners' assertion, Bhansali did provide its affiliates' sales reconciliations. We compared the affiliates' sales reconciliation to the amounts reported in the home market dataset and we have accepted these as reported.⁶⁷ We acknowledge that there was a minor difference between the costs reported by Bhansali in the cost data set and the costs recorded in their cost accounting system; however, we have all of the information necessary to make a minor adjustment to Bhansali's costs, which we have done for the final results, as discussed below in Comment 3.⁶⁸ We also discuss in Comment 3, below, Bhansali's production facility shutdown, and the timing of its disclosure in Bhansali's 2015 financial statements. There is no evidence of irregularities in the disclosure that demonstrate uncooperative behavior on the part of Bhansali, as the petitioners contend.

Based on the record, which demonstrates Bhansali's cooperation and provision of requested information, under section 776(a) of the Act, we do not find that necessary information is missing from the record, or that Bhansali withheld such information. For these reasons, we do not find that Bhansali's behavior in this administrative review permits the application of facts available as identified under section 776(a) of the Act. Furthermore, as explained above, Bhansali has demonstrated its willingness to cooperate to the best of its ability by providing timely responses to the Department's requests for information, including supplemental responses, where requested, as discussed above. The Department uses "adverse inferences" under section 776(b) of the Act only if it finds that "an interested party has failed to cooperate by not acting to the best of its ability to comply with a request for information." Therefore, for these final results, we find that the application of AFA under sections 776(a) and (b) of the Act is not warranted.

Comment 3: Whether the Department Should Accept Bhansali's Sales and Cost Data

- *Understated POR Costs*

According to the petitioners, Bhansali understated certain costs by reclassifying them. Allegedly, this reclassification has distorted and understated the costs that Bhansali should have reported. Therefore, the Department should increase Bhansali's costs for the final results, to compensate for their understatement.⁶⁹

⁶⁴ See Bhansali's A-D SQR at S1-5 and Revised Exhibit B-3(a).

⁶⁵ *Id.*

⁶⁶ See e.g., the Department's instructions for responding to the Section A of the Antidumping Duty Questionnaire.

⁶⁷ See Bhansali's A-D SQR at S1-4 and Exhibits S-6(a)-(d).

⁶⁸ See Bhansali's Final Calculation Memorandum at Attachment 6.

⁶⁹ See the petitioners' CB at 20-21.

The petitioners argue that Bhansali understated its shutdown expenses. The petitioners claim that it is the Department's long-standing practice that POR production absorbs all normal costs, including those associated with shutdown of the production facility.⁷⁰ The petitioners purport to demonstrate in their case brief how Bhansali understated certain expenses related to the shutdown of its production facility, as reflected under certain accounting codes in its financial statements, by directly comparing those expenses to the amounts that should have been reported.⁷¹ The petitioners further argue that the reported shutdown costs should be considered as part of the cost of manufacturing, rather than be included in general and administrative (G&A) expenses.⁷²

The petitioners argue that the Department should adjust the reported G&A and interest expenses to account for the costs associated with the shutdown. The petitioners provided suggested adjustments that the Department should make to Bhansali's reported costs for depreciation, shutdown of its production facility, G&A, and interest expenses.⁷³

Bhansali counters the petitioners' claims that it understated its POR costs, arguing that it reported its POR cost based on the total production during the POR, and did not misclassify its costs to understate its reported costs.⁷⁴ Bhansali argues that it did not report costs associated with its shutdown under the accounting codes cited in the petitioners' case brief, and that the accounting codes cited by the petitioners are unrelated to shutdown costs were appropriately classified under its G&A expenses.⁷⁵ For the final two accounting codes cited by the petitioners concerning depreciation, Bhansali reports that it recorded 50 percent of the total depreciation of the POR under them. Accordingly, Bhansali argues that the Department should not consider additional depreciation as there is no additional depreciation to report, should not adjust the shutdown costs, and should apply the G&A ratio of 3.05 percent, as it reported in its response.⁷⁶

- *Understated interest expenses*

The petitioners urge the Department to evaluate Bhansali's outstanding loans and determine the appropriate interest expenses associated with these loans and to adjust to Bhansali's reported costs, as appropriate.⁷⁷

Bhansali argues that the Department should use the weighted-average short-term interest rate that it originally reported, ensuring that all repayments are included in the recalculation of the interest expense ratio for the POR.⁷⁸

⁷⁰ *Id.* at 22.

⁷¹ *Id.* at 22-23. The specific expenses are business proprietary as are the amounts noted by the petitioners.

⁷² *Id.* at 24.

⁷³ *Id.*

⁷⁴ See Bhansali's RB at 13-14.

⁷⁵ *Id.* at 14.

⁷⁶ *Id.* at 15-16.

⁷⁷ See the petitioners' CB at 25; the petitioners rely on proprietary information and demonstrate the interest amount against which these loans should be evaluated.

⁷⁸ *Id.* at 16.

- *The major input test*

The petitioners argue that the Department is required to perform the major input test when major inputs are provided by affiliated parties, and, because Bhansali failed to submit required information, the Department has been impeded from performing this test. The petitioners contend that Bhansali failed to provide information that is necessary for the Department to properly value the major inputs purchased from affiliates. Hence, the Department should assign total AFA, or in the event that it does not, the Department should assign partial facts available by assigning the highest reported material cost to each reported product matching control number (CONNUM) for the final results.⁷⁹

Bhansali contends that it has not impeded the Department from conducting its major input test; it revised its affiliated input supplier purchases in the revised Exhibit D-4, and based on this clear reporting Bhansali argues, the petitioners are misleading the Department in order to obtain an adverse inference toward Bhansali in the final results.⁸⁰

- *Offset of direct labor costs*

The petitioners argue that Bhansali incorrectly reduced the cost of production for direct labor by offsetting job work revenue, which it should have classified as a part of manufacturing costs. However, because Bhansali has reclassified these direct labor costs, it has understated its cost of production.⁸¹

Bhansali argues that by not allowing the offset of “job work revenue,” the Department would artificially inflate Bhansali’s reported cost because this results in an allocation of cost (including cost incurred on providing job work service) over the total production (excluding job work quantity).

- *CONNUM Reporting*

For certain sales made during the POR, the merchandise was produced prior to the POR. Therefore, for such merchandise, Bhansali provided “surrogate costs” to reflect what the cost would have been if produced during the POR. Those surrogate costs were actually the costs incurred for merchandise produced during the POR which, in certain cases, was not identical to the merchandise sold from inventory.⁸² According to the petitioners, Bhansali erred in reporting these costs because it selected an incorrect surrogate CONNUM and its associated production costs instead of alternative CONNUM identified by the petitioners. The petitioners argue that Bhansali has intentionally manipulated the dumping margin because the CONNUM Bhansali has selected as a surrogate for the merchandise produced prior to the POR inhibits the finding of sales below cost.⁸³ The Department should not disregard Bhansali’s manipulative

⁷⁹ *Id.* at 26.

⁸⁰ *Id.* at 17.

⁸¹ *Id.* at 27.

⁸² See Bhansali’s April 8, 2016 2DSQR at Exhibit S2-1.

⁸³ *Id.*

behavior and should rely on, at a minimum, partial FA for the final results, by assigning the highest reported costs for the CONNUMs for which Bhansali failed to report accurate cost information.⁸⁴

Bhansali counters the petitioners' claim that it misreported the surrogate CONNUM, stating that certain of the CONNUMs cited by the petitioners included products sold, but not produced, during the POR, and that its reported surrogate CONNUM is an appropriate selection because it was produced and sold during the POR. In addition, Bhansali argues that it has a reported cost assigned to each CONNUM, which is necessary for the Department to calculate a dumping margin.⁸⁵

- *U.S. and HM Indirect selling expenses*

The petitioners cite to the Department's supplemental questionnaire in which it requested documentation related to indirect selling expenses, but to which Bhansali responded by "fully revis{ing} its indirect selling expenses, resulting in nonsensical results" for both the home market and U.S. sales.⁸⁶ The petitioners argue that Bhansali's reallocation of its indirect selling expenses between U.S. and domestic sales excludes certain expenses that are typically incurred in each respective category. The petitioners urge the Department to rely on the initial indirect selling expense calculation submitted by Bhansali and to use that ratio for the final results.

Bhansali contends that it accurately reported its indirect selling expenses, with certain expenses (foreign travel, export courier charged, business promotion, *etc.*) applied only to the export market, which have been clearly reported in Bhansali's revised Exhibit B-12.⁸⁷ Bhansali affirms that the Department should rely on the indirect selling expenses as reported in its revised Exhibit B-12 because it is an accurate reflection of the indirect expenses it incurred.

- *Control Number: Shape*

The petitioners argue that if the Department does not apply total AFA to Bhansali, the Department should reclassify a new shape code reported by Bhansali, and the Department should recalculate the corresponding cost data as well.⁸⁸

Bhansali explains its rationale of reporting a new coding structure within the CONNUM for shape because the production process for, including costs and finishing operations, necessitates this reporting difference.⁸⁹

⁸⁴ *Id.* at 27-29.

⁸⁵ See Bhansali's RB at 18.

⁸⁶ *Id.* at 30.

⁸⁷ *Id.* at 19.

⁸⁸ See the petitioners' CB at 31-32.

⁸⁹ *Id.* at 19-20.

- *Domestic Insurance Expenses on U.S. Sales*

The petitioners argue that Bhansali reported an open insurance policy that covers all sales, but failed to report domestic inland insurance for its reported U.S. sales. The Department should, therefore, assign the highest insurance rate reported in the home market sales dataset and deduct these expenses in determining the new U.S. price, and set reported home market insurance expenses to zero, if the Department does not otherwise assign to Bhansali total AFA for the final results.⁹⁰

Bhansali refutes the petitioners' argument that it did not properly consider domestic insurance expenses on its U.S. sales. Bhansali elaborates that, according to its original response to section C of the questionnaire, its insurance certificate covers movement of material from the plant to the port of exit, and the entire transit from the plant to the final consignee destination.⁹¹

- *Commission/Bank Charges*

Bhansali reported direct expenses (*i.e.*, Indian bank charges) incurred on certain U.S. sales when the customer remits payment to Bhansali. Bhansali calls these "commission charges." Based on the level of the fee, Bhansali reported them under different direct selling expense data fields. The petitioners argue that Bhansali did not correctly report the bank charges/commission expenses incurred on U.S. sales.

Bhansali refutes the petitioners' claim that it did not report all bank charges.

- *Credit expenses*

The petitioners argue that Bhansali's credit calculation is flawed because it failed to provide the turnover period for the POR; therefore, the Department should not accept the credit expenses as reported. In addition, Bhansali reported credit expenses based on its short-term interest rate. The Department should, for the final results, set the home market credit expenses to zero, if it determines not to apply total AFA.⁹²

Bhansali argues that it has correctly reported its home market credit expenses, re-stating that it does not normally receive payment on a per-invoice basis, but on installments, and has, therefore, calculated a weighted-average number of days until receipt of payments in its records (based on the dates that it received payment).⁹³ Bhansali states that it never reported the date of payment for individual invoices, as the petitioner argues.⁹⁴

- *Insurance expenses*

⁹⁰ *Id.* at 32-33.

⁹¹ *Id.* at 20 (citing Exhibit C-12(b) of the Section C questionnaire response).

⁹² *Id.* at 35-36.

⁹³ See Bhansali's RB at 22, and referencing the Section B questionnaire response at 30 and 31.

⁹⁴ See Bhansali's RB at 22.

The petitioners argue that Bhansali reported home market insurance expenses when it was not appropriate to do so. In addition, Bhansali overstated its reported insurance expenses because it computed these expenses on the gross unit price, plus packing, freight and insurance revenue, and certain taxes. The Department should set all of Bhansali's home market insurance expenses under variable INSUREH to zero if it does not apply total adverse facts available in the final results.⁹⁵

Bhansali counters that it did not overstate its reported home market insurance expenses. Bhansali reiterates that it incurs insurance expenses for all home market sales, regardless of the terms of sale.⁹⁶ Moreover, Bhansali counters the petitioners' claim that insurance is overstated by including packing, freight, insurance, and various embedded taxes, because those charges are all covered by its insurance expenses up to the customer warehouse.⁹⁷

Finally, with respect to all of the arguments submitted by the petitioners, Bhansali requests that the Department not resort to adverse facts or facts available in the final results because it has acted to the best of its ability and has demonstrated cooperation with every request for information from the Department, and has responded to the petitioners' misleading characterizations of Bhansali's responses with clear and correct information.⁹⁸

Department's Position:

We disagree with the petitioners that Bhansali understated the cost related to the shutdown of the production facility and have, therefore, not made an adjustment to Bhansali's shutdown costs. Bhansali provided sufficient explanation and reconciliation of the costs related to the shutdown.⁹⁹ Moreover, Bhansali explained that the shutdown costs accounted for in the reported costs are primarily administrative expenses, and are accounted for under the G&A expenses.¹⁰⁰

Bhansali reported cost information associated with each CONNUM in the cost dataset we used for the preliminary results, and we continue to use this dataset for the final results.

Bhansali reported indirect selling expenses as incurred, and we have accepted those expenses as reported.¹⁰¹ Bhansali responded to our questions regarding its reported indirect selling expenses in a supplemental questionnaire, revising these expenses between its home market sales and export sales, and provided a calculation worksheet demonstrating how it allocated common expenses between the two markets, and contrary to the petitioner's argument, we find that these expenses are reasonable and allocated appropriately.¹⁰² Bhansali explained that certain expenses that were incurred in only one market were allocated only to that market.¹⁰³ Accordingly, we

⁹⁵ *Id.* at 37.

⁹⁶ *Id.* referencing Exhibit B-9(b) of the Section B questionnaire response.

⁹⁷ See Bhansali's RB at 23.

⁹⁸ *Id.* at 24.

⁹⁹ See Bhansali's January 25, 2016, SQR at S1-15-18 and Revised Exhibit D-14(b).

¹⁰⁰ See Bhansali's January 25, 2016, SQR, at S1-2.

¹⁰¹ *Id.* at Revised Exhibit B-12 Part 1 and 2.

¹⁰² *Id.*

¹⁰³ See Bhansali's RB at 19; for example, Bhansali reports that export charges and foreign travel are only allocated to the export market in its indirect selling expenses.

have accepted those revised expenses as reported.¹⁰⁴ Bhansali also reported a unique shape code within certain CONNUMs and reported that this control number was created because it involved a production process that was not similar to other control numbers that were reported.¹⁰⁵ We find this explanation reasonable and, therefore, find that there is no need to reclassify this shape code as the petitioners have argued.

We reviewed Bhansali's reported insurance expenses and we find that they are supported by the insurance documentation that Bhansali provided in its questionnaire response. Contrary to the petitioners' argument, we find that the insurance documentation covers both domestic and foreign shipments.¹⁰⁶

We examined Bhansali's home market credit and Indian Bank discount commission expenses that it reported in its database.¹⁰⁷ Bhansali reported that it is charged certain expenses at the time of collection against certain U.S. sales and reported the account code associated with these commission expenses.¹⁰⁸ The petitioners did not identify Bhansali's accounting code where Bhansali recorded these expenses and did not argue that these are otherwise inappropriately reported.¹⁰⁹ We find that Bhansali reported these expenses correctly.

With regard to credit expenses, Bhansali provided the Department with additional documentation supporting its short-term borrowing rate and the terms and conditions of its lending.¹¹⁰ Because Bhansali explained that it did not report customer payments on a per-invoice basis, but rather on an installment basis, the "turnover period" is calculated differently.¹¹¹ Bhansali's calculation is reasonable, because payments are not tied directly to particular invoices.¹¹² We compared Bhansali's affiliates' sales reconciliations to the home market dataset and found that they reconciled.¹¹³

In addition, we reviewed Bhansali's explanation of its bank discount commission expenses reported in the U.S. dataset and find that an adjustment to Bhansali's home market credit expense is not warranted for the final results, because Bhansali provided documentation of these expenses, and we noted no discrepancies.¹¹⁴

Here, we address the changes we have made for the final results. Because Bhansali's reported costs vary slightly from the costs in its books and records (based on a comparison of the cost data presented in Bhansali's cost dataset and its cost reconciliation), we have increased the reported cost for the unreconciled difference for the final results. This adjustment properly reconciles Bhansali's reported costs because we find that Bhansali otherwise cooperated and reported all

¹⁰⁴ *Id.*

¹⁰⁵ See Bhansali's RB at 20.

¹⁰⁶ See Bhansali's June 25, 2016, Section C Questionnaire Response at Exhibit C-12(b).

¹⁰⁷ See Bhansali's January 25, 2016, SQR at S1-11 and Exhibit S-16.

¹⁰⁸ See Bhansali's June 26, 2015, Section C Questionnaire Response at "Other Direct Selling Expenses."

¹⁰⁹ See the petitioner's CB at 34.

¹¹⁰ See Bhansali's RB at 16.

¹¹¹ *Id.* at 22.

¹¹² See Bhansali's June 25, 2016, Section B Questionnaire Response at 30-31 and Exhibit B7(a) and (b).

¹¹³ See Bhansali's January 25, 2016, SQR at Exhibits S-6(a)-(d).

¹¹⁴ *Id.* at S1-13.

costs for these final results. Additionally, Bhansali noted that the reported COP includes costs for tolling work and a corresponding offset to direct labor of tolling revenue. We have limited the tolling revenue offset to the identifiable costs of tolling work done on behalf of other companies.¹¹⁵

Bhansali purchased certain raw material inputs (primarily wire rod and wire bars) from various affiliates during the POR. We analyzed these transactions in accordance with the transactions disregarded and major input rules at sections 773(f)(2) and (3) of the Act. Where necessary, we have adjusted Bhansali's reported direct material costs to reflect the higher of transfer or market price (for the transactions disregarded rule) or the higher of transfer, market price, or the affiliated supplier's COP (for the major input rule).¹¹⁶

Following the preliminary results, we solicited POR loan information from Bhansali.¹¹⁷ Bhansali reported loans from affiliates during the POR for which it paid no interest.¹¹⁸ In accordance with 773(f)(2) of the Act, we compared the interest expenses paid to affiliates to the interest that Bhansali would have paid to unaffiliated banks. The market interest rate used by unaffiliated banks is higher than the rates on the loans to Bhansali from its affiliates. Therefore, pursuant to section 773(f)(2) of the Act, we adjusted the interest expense for these affiliated loans to reflect the market interest expense which resulted in an increase in the reported net financial expense ratio.¹¹⁹ Bhansali explained that its production slowdown occurred after the release of its 2014 financial statements, and that it was properly discussed and recorded in the 2015 financial statements.¹²⁰ We do not find that this is an indication that Bhansali has understated its costs. Finally, Bhansali explained that while it is not able to provide monthly raw material inventory values, it is nevertheless able to reconcile the total quantity of raw materials consumed.¹²¹ Moreover, Bhansali did provide the information as requested (and accounted for the top three raw materials involved in the production of the subject merchandise—including monthly quantity and value consumption).¹²²

Comment 4: Whether the Department Properly Handled the Billing Adjustments in the Preliminary Results

Petitioners' Comments

The petitioners argue that the Department should have subtracted, rather than added, the billing adjustment variable in the margin program.¹²³ Also, the Department should have added together the home market billing adjustments in the comparison market program.¹²⁴

¹¹⁵ See Bhansali's Final Results Calculation Memorandum at 4 and Attachment 6.

¹¹⁶ *Id.* at 3-4.

¹¹⁷ See 2DSQ at 1.

¹¹⁸ *Id.* at 2 and Exhibit S2-2 Part 1 and 2.

¹¹⁹ See Bhansali's Final Calculation Memorandum at 3 for the consideration of interest expenses. We used the interest rate provided in Bhansali's 2014-2015 Audited Financial Statements, Notes to the Financial Statement, under "Long Term Borrowings," from the Bank of India.

¹²⁰ See Bhansali's RB at 10.

¹²¹ See Bhansali's January 25, 2016, SQR at Exhibit 28.

¹²² *Id.* at Exhibit D-3.

¹²³ See the petitioners' CB at 34.

Bhansali's Rebuttal Comments

Bhansali contends that its revised billing adjustments were properly accounted for by the Department in the preliminary results. Bhansali's revisions to gross unit price were revised to be: increases to the gross unit price (under field BILLADJ1H), and deductions to gross unit price (under fields BILLADJ2H and BILLADJ3H), which the Department properly executed in its programming instructions.¹²⁵

Department's Position:

We requested additional information regarding Bhansali's billing adjustments in a supplemental questionnaire.¹²⁶ Bhansali explained in its narrative response that we should add BILLADJ1H to the gross unit price variable because this reflected an increase in price from the customer, and we should deduct BILLADJ2H and BILLADJ3H from the gross unit price variable because these variables reflect credits to the customer. We agree with Bhansali and added BILLADJ1H to the gross unit price and deducted BILLADJ2H and BILLADJ3H from the gross unit price in the comparison market program. These operations reflect the proper treatment of the variables for the final results.¹²⁷

VI. RECOMMENDATION

Based on our analysis of the comments received, we recommend adopting the above positions. If accepted, we will publish the final results of this review and the final weighted-average dumping margin in the *Federal Register*.



Agree

Disagree



Paul Piquado
Assistant Secretary
for Enforcement and Compliance

1 SEPTEMBER 2016
(Date)

¹²⁴ *Id.* at 38.

¹²⁵ See Bhansali's RB at 23-24.

¹²⁶ See Bhansali's response to our supplemental questionnaire, "Bhansali Bright Bars Private Limited 1st Supplemental Response to Section, A, B, C & D of Antidumping Duty Questionnaire," dated January 25, 2016 at S1-8 to S1-9.

¹²⁷ See, e.g., Memorandum from Joseph Shuler, International Trade Analyst, through Dana Mermelstein, Program Manager, to the File, "Preliminary Results Calculation Memorandum for Bhansali," March 4, 2016 at 4, unchanged in the final results.